

REFERENCE TITLE: sales tax; electronic payment delinquency.

State of Arizona  
House of Representatives  
Forty-eighth Legislature  
Second Regular Session  
2008

# HB 2106

Introduced by  
Representatives Yarbrough: Farley, Murphy

AN ACT

AMENDING SECTION 42-5014, ARIZONA REVISED STATUTES; RELATING TO TRANSACTION PRIVILEGE TAX PAYMENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2       Section 1. Section 42-5014, Arizona Revised Statutes, is amended to  
3 read:

4           42-5014. Return and payment of tax; estimated tax; extensions;  
5           abatements

6       A. Except as provided in subsection B, C or D of this section, the  
7 taxes levied under this article:

8       1. Are due and payable monthly in the form required by section 42-5018  
9 for the amount of the tax, to the department, on or before the twentieth day  
10 of the month next succeeding the month in which the tax accrues.

11       2. Are delinquent as follows:

12           (a) For taxpayers electing to file by mail, if not postmarked on or  
13 before the twenty-fifth day of that month or if not received by the  
14 department on or before the business day preceding the last business day of  
15 the month.

16           (b) FOR TAXPAYERS ELECTING TO FILE AND PAY ELECTRONICALLY IN ANY  
17 MONTH, IF NOT RECEIVED BY THE DEPARTMENT ON OR BEFORE THE LAST BUSINESS DAY  
18 OF THE MONTH.

19           ~~(b)~~ (c) For all other taxpayers, if not received by the department on  
20 or before the business day preceding the last business day of the month.

21       B. The department, for any taxpayer whose estimated annual liability  
22 for taxes imposed by this article is between five hundred dollars and one  
23 thousand two hundred fifty dollars, may authorize such taxpayer to pay such  
24 taxes on a quarterly basis. The department, for any taxpayer whose estimated  
25 annual liability for taxes imposed by this article is five hundred dollars or  
26 less, may authorize such taxpayer to pay such taxes on an annual basis.

27       C. The department may require a taxpayer whose business is of a  
28 transient character to file the return and remit the taxes imposed by this  
29 article on a daily, a weekly or a transaction by transaction basis, and those  
30 returns and payments are due and payable on the date fixed by the department  
31 without a grace period otherwise allowed by this section. For the purposes  
32 of this subsection, "business of a transient character" means sales activity  
33 by a taxpayer not regularly engaged in selling within the state conducted  
34 from vehicles, portable stands, rented spaces, structures or booths, or  
35 concessions at fairs, carnivals, circuses, festivals or similar activities  
36 for not more than thirty consecutive days.

37       D. If the business entity under which a taxpayer reports and pays  
38 income tax under title 43 has an annual total tax liability under this  
39 article, article 6 of this chapter and chapter 6, article 3 of this title of  
40 one million dollars or more, based on the actual tax liability in the  
41 preceding calendar year, regardless of the number of offices at which the  
42 taxes imposed by this article, article 6 of this chapter or chapter 6,  
43 article 3 of this title are collected, or if the taxpayer can reasonably  
44 anticipate such liability in the current year, the taxpayer shall report on a  
45 form prescribed by the department and pay an estimated tax payment each June.

1 Any other taxpayer may voluntarily elect to pay the estimated tax payment  
2 pursuant to this subsection. The payment shall be made on or before June 20  
3 and is delinquent if not postmarked on or before that date or if not received  
4 by the department on or before the business day preceding the last business  
5 day of June for those taxpayers electing to file by mail, or delinquent if  
6 not received by the department on the business day preceding the last  
7 business day of June for those taxpayers electing to file in person. The  
8 estimated tax paid shall be credited against the taxpayer's tax liability  
9 under this article, article 6 of this chapter and chapter 6, article 3 of  
10 this title for the month of June for the current calendar year. The  
11 estimated tax payment shall equal either:

12 1. One-half of the actual tax liability under this article plus  
13 one-half of any tax liability under article 6 of this chapter and chapter 6,  
14 article 3 of this title for May of the current calendar year.

15 2. The actual tax liability under this article plus any tax liability  
16 under article 6 of this chapter and chapter 6, article 3 of this title for  
17 the first fifteen days of June of the current calendar year.

18 E. The taxpayer shall prepare a return showing the amount of the tax  
19 for which the taxpayer is liable for the preceding month, and shall mail or  
20 deliver the return to the department in the same manner and time as  
21 prescribed for the payment of taxes in subsection A of this section. If the  
22 taxpayer fails to file the return in the manner and time as prescribed for  
23 the payment of taxes in subsection A of this section, the amount of the tax  
24 required to be shown on the return is subject to the penalty imposed pursuant  
25 to section 42-1125, subsection A, without any reduction for taxes paid on or  
26 before the due date of the return. The return shall be verified by the oath  
27 of the taxpayer or an authorized agent or as prescribed by the department  
28 pursuant to section 42-1105, subsection B.

29 F. Any person who is taxable under this article and who makes cash and  
30 credit sales shall report such cash and credit sales separately and upon  
31 making application may obtain from the department an extension of time for  
32 payment of taxes due on the credit sales. The extension shall be granted by  
33 the department under such rules as the department prescribes. When the  
34 extension is granted, the taxpayer shall thereafter include in each monthly  
35 report all collections made on such credit sales during the month next  
36 preceding and shall pay the taxes due at the time of filing such report.

37 G. The returns required under this article shall be made upon forms  
38 prescribed by the department.

39 H. The department, for good cause, may extend the time for making any  
40 return required by this article and may grant such reasonable additional time  
41 within which to make the return as it deems proper, but the time for filing  
42 the return shall not be extended beyond the first day of the third month next  
43 succeeding the regular due date of the return.

1       I. The department, with the approval of the attorney general, may  
2 abate small tax balances if the administration costs exceed the amount of tax  
3 due.

4       J. For the purposes of subsection D of this section, "taxpayer" means  
5 the business entity under which the business reports and pays state income  
6 taxes regardless of the number of offices at which the taxes imposed by this  
7 article, article 6 of this chapter or chapter 6, article 3 of this title are  
8 collected.

9           Sec. 2. Effective date

10          This act is effective on January 1, 2009.